

MONTANA SENATE
2007 LEGISLATURE

ROLL CALL

FINANCE AND CLAIMS COMMITTEE

DATE 2-20-07

NAMES	PRESENT	ABSENT	EXCUSED
KEITH BALES (R)	✓		
GREGORY BARKUS (R)			
JOHN BRUEGGEMAN (R)	✓		
JOHN COBB (R)	✓		
MIKE COONEY (D)			✓
STEVE GALLUS (D)	✓		
KEN HANSEN (D)	✓		
BOB HAWKS (D)	✓		
RICK LAIBLE (R)	✓		
LANE LARSON (D)			✓
DAVE LEWIS (R)	✓		
GREG LIND (D)	✓		
COREY STAPLETON (R)	✓		
BILL TASH (R)	✓		
MITCH TROPILA (D)	✓		
DAVID WANZENRIED (D)	✓		
DAN WEINBERG (D)	✓		
CAROL WILLIAMS (D)	✓		
TRUDI SCHMIDT (D) - CHAIRWOMAN	✓		
TARYN PURDY, LFD	✓		
PRUDENCE GILDROY, SECRETARY	✓		

VISITOR REGISTER

BILLS BEING HEARD TODAY SB 390 SJ 11

PLEASE PRINT

[illegible]

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

SJ 11 SPONSORED BY SENATOR BLACK

Presentation to the Senate Finance and Claims Committee

MADAM

Mr. Chairman and members of committee, for the record my name is Anthony J. Preite, Director of the Department of Commerce. We stand in support of Joint Resolution 11, which requests an interim study of the Treasure State Endowment Program.

This is your program. It was crafted by the Legislature and sent to the voters in June 1992 as a legislative referendum. Over two-thirds of the Montana voters supported creation of the program.

One of the stated purposes of TSEP is to promote economic growth and job creation by encouraging communities to invest in their infrastructure. Of course, we all know that adequate infrastructure is absolutely vital to support local growth and development. TSEP has been remarkably successful in meeting that goal. Over 74 million dollars in TSEP grants have been awarded to help finance and construct more than 200 local infrastructure projects throughout the state. These TSEP grants have leveraged an investment of more than 260 million dollars of other federal, state, and local funds in basic public facilities, principally improvements to drinking water and wastewater systems.

For all but our largest cities, TSEP has become the major engine that drives local infrastructure investment in Montana. The cost of water

and wastewater projects is an increasingly difficult challenge for communities because of the rising costs of construction and the increased environmental standards they are being forced to meet. For smaller towns, as well as rural water and sewer districts, TSEP is critical to making needed infrastructure projects financially feasible and affordable for local residents.

We must also endeavor to provide small communities and counties with the local expertise which will allow them to compete on a level playing. It is a fair question to ask as to How can the playing field be leveled?? To start smaller communities must recognize that there are multi-county dev. Organizations

That nearly blanket the state. These are CRDC's and EDD's funded both by state and federal funds along with local funds.[explain]

As previously stated over the years \$260 million dollars have been leveraged much from federal funds. The problem is that there are increasing demands for funds and projects cost continue to rapidly escalate while federal funds have been drastically reduced over the past six years. All of the above makes it imperative that in order to compete for these scarce funds local community capacity to prepare and submit viable competitive applications must be available. This challenge must be made an integral part of the proposed review process. {Explain leverage needs}

The Treasure State Endowment Program is now almost fifteen years old and it would be an appropriate time to evaluate its effectiveness. We are always looking for ways to improve the program, and always try to be as open to public input and scrutiny as possible. Working in consultation with the Legislature's Joint Long-Range Planning Subcommittee, a number changes have been made to the program over the years, in an effort to make it better. We welcome the opportunity for the program to be reviewed by an interim committee and would look forward to working with legislators on the study.

I want to commend Senator Black for addressing this situation and also thank the committee for allowing me the opportunity to make this presentation.

Jim Edgcomb, the manager of the program, is also here, and is available to answer any specific questions you might have about the program.